

## Producers' Guide to Selling to Restaurants 101

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Restaurants can be a great place to sell products that are high quality, interesting, or unusual.

- Start small.
  - Begin your first “farm to restaurant” relationships with small, independent ones within an easy delivery radius of your agricultural operation.
  - The opportunities to provide for the needs of an independent restaurateur are much greater than big chain restaurants.
  - Seek out those establishments that offer daily or weekly specials or seasonal menus to increase the likelihood of finding a good partner.
  - A chef that values the benefits of local sourcing and is willing to take the extra steps to develop a relationship with the farmer is the best guarantee of success.
- Know your finances; Know your pricing
  - Selling is just one part of a successful direct-marketing business.
    - Good production skills and superior postharvest handling techniques can ensure high-quality products that command premium prices.
    - Likewise, a thorough knowledge of your farm's financial condition can ensure that you employ the right pricing and advertising strategies to gain the most profit.
  - Being aware that you are competing with supermarkets and other farmers at your market or in your particular region can also help ensure success.
    - At the end of the day, you want customers to spend more of their dollars with you.
    - This means that you have to constantly improve your skills and look for competitive advantages to keep your business profitable.
- Understand your responsibilities in this association.
  - Whether providing a single ingredient for a special event or supplying a vast array of produce for the menu, the grower needs to understand the interdependence of supply and expectations in the kitchen.
  - Grow a little extra.
    - Don't skimp.
    - Count overage in your pricing.
- Healthy relationships are essential.
  - Understand the needs of a chef just as they try to understand the needs of you as a producer.
    - Under promise and over deliver
      - When a chef has certain expectations and a dining room filled with anxious diners, you do not want to be the cause for added stress.
      - Quality and consistency are the keys to success.
    - Be reliable.
      - Be consistent in keeping appointments, when you arrive, returning calls and so on.
      - When something goes awry in production, give the chef advance notice as soon as you're able.
- Work with the restaurant schedules.

- Chefs are best approached in the morning by calling ahead and making an appointment.
- Do not call at meal times.
- At your appointment take samples for the chef and be sure to share what products you have available, how long you will have it, and the quantity, timing, and price.
- Communicate regularly about what is available and when.
  - Developing a spreadsheet or list of the products you will have throughout a year and highlighting what you have fresh each week are also valuable communication tools.
- Market your business.
  - Chefs will often be interested in your growing practices and the story of your farm and may highlight these on their menu.
- Growers that have unusual products and products that are available early or late in the season or through the winter may find restaurants a good, strong market.
- Restaurants typically utilize smaller quantities than a grocery store.
- Invoice the restaurants. Do not expect cash payments. Keep great records.
  - Farmers selling to restaurants will need to establish good bookkeeping systems that include clear invoicing and accounts receivable.
  - Most restaurants will not pay on delivery and may pay monthly. It is important to keep track of deliveries and always be sure to get a signed invoice in duplicate. File one copy for yourself.
- Benefits of Selling Directly to Restaurants
  - Great market for smaller quantities of high quality items.
  - Creates an opportunity to build a strong relationship between the farm and chef.
  - Farm may be highlighted on the menu and in the media.
  - Higher price point is often available.
  - Can take non-standard sizes and products may not have to be graded.
- Challenges of Selling Directly to Restaurants
  - Farms need to be in constant communication with restaurants which can take a lot of time.
  - It may be difficult to match delivery times with restaurant needs.
  - Farm must deliver high quality product every time.
  - Farm may not be able to sell enough quantity to make it work.
  - Must be able to have clear invoicing and detailed accounting.

## Bibliography

*This quick guide is adapted from a variety of sources:*

- Washington State Department of Ag: <http://agr.wa.gov/marketing/smallfarm/DOCS/3-SellingDirectlyToRestaurantsAndGroceryStores.pdf>
- University of Missouri Extension: <http://extension.missouri.edu/p/g6222>

## Other handouts

- Tips for Selling to Restaurants: <http://www.carolinafarmstewards.org/wp-content/uploads/2012/12/5-ATTRA-Tips-for-Selling-to-Restaurants.pdf>
- The ABCs of marketing to restaurants: <http://www.newfarm.org/features/0802/restaurant.shtml>
- 7 Ways to Sell Your Produce to Local Restaurants: <http://www.hobbyfarms.com/farm-marketing-and-management/7-ways-to-sell-produce-to-local-restaurants.aspx>
- Marketing to Restaurants: <http://growingsmallfarms.ces.ncsu.edu/growingsmallfarms-marketingrestaurants/>